

DECISIONS AND ACTIONS

Item & no.	SFG Decision	DEF Action
Item 2a Cranbrook	<p>1. SFG felt that some of the projected overspends are around school choice rather than funding pressures as a result of a new and growing school. In particular the way in which the primary element of the school has been set up. The capacity in excess of the current need was something that was discussed at length and it is felt that Cranbrook could either reduce the number of classes currently run by 2 or that they do not add an additional 2 classes in September. Any current small cohorts again are a school preference and Cranbrook should also consider sharing TA's more widely across classes in the same way other existing schools need to due to funding constraints. DCC also wants to clarify that Devon is not expecting Cranbrook to split the year groups 3 and 4 as they currently stand and this should be one class, nor are DCC requiring a 3 form entry at present.</p> <p>2. SFG will consider in return the following adjustments under these circumstances:</p> <ul style="list-style-type: none"> a. Due to the concerns around the limited curriculum choices available at a new and growing school for Year 10 pupils. A lump sum to support the KS4 choices could be considered from the growth fund. Matthew Shanks is working on providing figures to be considered as part of this option. b. Due to the high level of disadvantaged children there is an element of the funding that is not being received in year (excluding the funding as part of the underlying factors within APT due to estimated pupil figures). The Pupil Premium is paid in January and there may be a way of funding some additional support to reflect this. Devon is working on providing figures to be considered as part of this option. <p>3. Disregards should stay as they are.</p>	<p>Discussion at DEF as per report.</p> <p>Figures to follow.</p> <p>Figures to follow.</p>
Item 4 SEND	<p>Re-worded Proposal to DEF:</p> <p>"Based on: 1) Figures presented at SFG on 7th March 2018, residential placements funded from HNB only for CYP including both education health and care provision; 2) Current protocols for funding Children In Care places (for those young people with a statutory plan) between education and care 50/50; 3) New EHCP plans (therefore a joint agency approach to addressing the needs of the child); 4) Single right of redress across Education, Health and Care from April 2018, will allow health and care recommendations to be included in Tribunals. The lead judge for SEND Tribunals is very clear that 'local authority policies do not trump the law'. The law gives young people the right to request provision included in an approved list.</p>	<p>Discussion at DEF as per report.</p>

	<p>We propose that from April 2018 current and future residential placements are funded on a 50/50 basis between social care and education. Noting that that is a more favourable ratio than actual costs.</p> <p>With the recent 19-25 extension and increased demand also impacting on costs, this is DCC responsibility across Children and Adult social care; Children's should be contributing the care aspect for both pre-16 and 16-19, and Adults for 19-25 young people.</p> <p>SFG also recommend that this be passed through to Cabinet by DEF.”</p>	
Item 5 Carry Forwards 2018/19	<p>3 recommendations discussed, namely:</p> <ol style="list-style-type: none"> 1) Agree deficit budgets per DEF Minutes from November 2017 per Table 1 for Growth Fund and High Needs Block. 2) Agree surplus budget carry forwards to 2018/19 as set out in Table 2. 3) Agree Option B. 	DEF to agree 3 recommendations as per SFG Report from AF.

SCHOOLS FINANCE GROUP
Notes of meeting
on 7 March 2018 at Coombeshead Academy, Newton Abbot

		Attendance			
		7/03/18	3/01/18	8/11/17	12/7/17
DCC					
Adrian Fox (Chair) (AF)	Head Accountant (Education & Learning)	✓	✓	✓	✓
Simon Niles SN)	Children's Services Strategic Manager	✓	Apologies	Apologies	✓
Heidi Watson-Jones	Executive Personal Assistant			✓	✓
Olivia Mitchell	Apprentice Personal Assistant			✓	
Heather Bingham (HB)	Service Support Officer	✓	✓		
DAPH – PRIMARY HEADS					
David Barnett DB)	Chudleigh Primary	✓	✓		
Jonathan Bishop (JB)	Broadclyst Primary	Apologies	Apologies	✓	Apologies
Alun Dobson (AD)	Marwood Primary	✓	✓	✓	✓
Jamie Stone (JS)	Denbury Primary	✓	✓	✓	✓
Paul Walker (PW)	First Federation	✓	Apologies	✓	✓
DASH – SECONDARY HEADS					
Daryll Chapman (DC)	Okehampton College	✓	✓	✓	Apologies
Lorraine Heath (LH)	Uffculme College	Apologies	✓	✓	Apologies
Gareth Roscoe (GR)	The Park Community School	✓	Apologies	✓	
Matthew Shanks(MS)	Education South West	✓	✓	✓	✓
SHAD – SENITIENT (SPECIAL SCHOOLS)					
Keith Bennett (KB)	Marland School	✓	Apologies	✓	Apologies
Jacqui Warne (JW)	Learn to Live Federation	Apologies	✓	✓	Apologies
DAG – GOVERNORS					
Faith Butler (FB)	Special	Apologies	Apologies	✓	Apologies
Malcolm Dobbins (MD)	Primary	✓	✓	✓	✓
Jill Larcombe (JL)	Secondary	-	Apologies		Apologies
Alex Walmsley (AW)	Secondary	✓	✓	✓	✓
EARLY YEARS PROVIDERS					
Gemma Rolstone (GeR)	Early Years – NDNA for PVI providers	-			✓
Sandra Barnett (SB)	Early Years / for PVI providers	✓	✓	✓	
In Attendance:					
Julia Foster	DCC - SEN Strategy Manager	✓	✓	✓	✓
Katrina Callcutt	DCC – Finance	✓	✓	✓	
Dawn Stabb	Head of Education & Learning	Apologies	Apologies	✓	
Matt Thorpe	Senior Assistant County Treasurer	✓			
Karlien Bond		✓			

1. Item/Focus: Minutes and Matters Arising from meeting on 3rd January 2018

Discussion: Actions from 3.1.18 checked through and comments noted as follows:

ITEM 3: SEND/HIGH NEEDS

Regarding arranging for the MP, Mel Stride, to be invited to this meeting – AF advised he had discussed with Dawn about the invite, but in light of the meeting happening just after the previous SFG between the LA, Heads and MPs in London it did not seem necessary. However, if anyone wished this to be pursued then it would have to be a Friday.

ITEM 6 MUTUAL FUND

AF confirmed this is now all on the website - levels and costs.

Key Decision/ Issues for DEF:	Minutes were agreed as an accurate record.
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Action:	
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2a. Item/Focus: Growth Policy Growth Policy - Cranbrook Presentation. PFI

Discussion:

Moira Marder (MM) and Sue Pym (SP) thanked the group for the invitation. They are in their 3rd year of operation at Cranbrook, but it is a financial challenge:

- They do not yet have all year groups in school;
- £140,000 in-year deficit this year despite everything looking good;
- As a Trust they do not have funds to bail them out;
- 40 extra pupils, 300 on roll;
- An all-through school, but only one lump sum so cannot sustain the disregard;
- 50% special needs in secondary and 25% special needs in primary;
- High building costs, as they have to open all the campus and set up classrooms, also have a legacy electricity contract with e-on with high costs.

Low pupil numbers and costs of provision per pupil - AWPU cost per pupil much higher. Influx of numbers expected year on year, so they need a good growth model for funding. Looking at a 10-14 increase in year groups next year, so this is a challenge to the Head Teacher to respond, especially with 1-in-3 pupils having high needs. There are children coming to the secondary who cannot read or write. Some small classes are not economic to run, eg one with 10 pupils. When asked why they are not combining such classes, they explained there is no potential to move the pupils round but some year groups have been combined. Year 2 was split on LA advice because St Martin's was full.

However, it is the secondary lump sum which is the real issue and others agreed that this did not make sense. Cranbrook has the one of the highest levels of deprivation in Devon. The population is coming but not there yet. Questions raised around St Martin's numbers, whose growth has been incredibly rapid, and Cranbrook have to link in with St Martin's who are now full.

The lump sum is the exceptional factor. Key recommendation would be to look at as a whole school and what the threshold should be. Running as one leadership, not 2, on low leadership scales and Heads of Key Stages,

decisions based on funding, eg NQTs for new teachers. Struggling with recruitment – as not to normal timescales – difficult to get top people in. Next year 58 1st place offers, PAN of 120, need to plan for 3 form entry at secondary, but with disregard of 30, will not get funding for that 3rd class. Offering a narrower curriculum, and needing to be careful about options in years 10 and 11. KPIs – lower than national average. Optimised membership of MAT, eg staff secondments from ISCA etc.

Cranbrook would like the following recommendations considered:

- consider level of disregard;
- re-consider in terms of only having one lump sum;
- if they have to put a class on at County's request, not to use lump sum for that class; and
- whether these arrangements could then carry on until 2019/20.

AF advised that the one lump sum is through Government criteria and agreed as part of the consultation.

MM reiterated that the secondary side is just not working, and that a growth model is needed now. Disregards for secondary would help the whole school. Cranbrook are getting a lot of overspill from Exeter, which is potentially worrying if pupils from Cranbrook were not then able to attend Cranbrook.

AF confirmed that APT uses estimates for Cranbrook, which was an additional 60 for next year, and funding is going in for this initial 60. SP advised that their Reception projection is full for September 2018; their TA ratio is lower than the national average and the theory is that there will be 14 new pupils in each year group.

DC raised the question of disadvantaging KS4 pupils as a result of the narrow curriculum.

AD queried the following year's deficit – presumably double?

JS asked why not an 8-class structure for September? SP explained that where they have split a class, they have then removed the TA support.

In summary, MM argued the uniqueness of Cranbrook, and the number of high needs pupils at the school, eg they have children excluded from 5 other secondary schools.

Suggestion to look at the secondary disregard until the school is full.

Cranbrook does not attract any other funding – eg no capital allocation as it is a new school and no SIF.

Having presented their case, MM and SP left the meeting.

Discussion then focused on Cranbrook and AW asked if they would prefer him to leave the meeting but it was agreed he should stay.

AF confirmed that the Year 2 class at Cranbrook is funded.

In view of The Ted Wragg Multi Academy Trust running the new Free school in the South West of Exeter, questions were raised as to whether the all-through structure for Cranbrook had not worked, or if it was a particular case? The issue at Cranbrook centred on growth around the secondary but the primary should be okay and the group wondered if £80,000 could be freed up from the primary? It was felt that local comparisons might be helpful. Questions were raised about pupil premiums and how many un-funded disadvantaged children there were, especially if incoming pupils have significant issues but their funding will not arrive until next year. SN confirmed there was quite a high level of need, and one issue was children coming in from outside the catchment area as parents of SEN tend to go to smaller schools. AF advised that APT 361 across all school based on 413 for a full academic year.

In-year growth of secondary is also an issue. Still in 1st 3 years, so reviewed on the termly census. Across the whole year they came in at 20. The secondary issue may be difficult to address now, but there is something that could be done to plan their primary issue. They are opening Year 10 this year, so is this the issue? The MAT is managing other secondary schools, and it is clearly working across the Trust, so what is going wrong here? Year 9 is the trigger, is there a need to fund this now and change our formula so that it is not a challenge for the next new secondary?

Summary of discussion:

1. SFG felt that some of the projected overspends are around school choice rather than funding pressures as a result of a new and growing school. In particular the way in which the primary element of the school has been set up. The capacity in excess of the current need was something that was discussed at length and it is felt that Cranbrook could either reduce the number of classes currently run by 2 or that they do not add an additional 2 classes in September. Any current small cohorts again are a school preference and Cranbrook should also consider sharing TA's more widely across classes in the same way other existing schools need to due to funding constraints.

DCC also wants to clarify that Devon is not expecting Cranbrook to split the year groups 3 and 4 as they currently stand and this should be one class, nor are DCC requiring a 3 form entry at present.

2. SFG will consider in return the following adjustments under these circumstances:
 - a. Due to the concerns around the limited curriculum choices available at a new and growing school for Year 10 pupils, a lump sum to support the KS4 choices could be considered from the growth fund. Matthew Shanks is working on providing figures to be considered as part of this option.
 - b. Due to the high level of disadvantaged children there is an element of the funding that is not being received in year (excluding the funding as part of the underlying factors within APT due to estimated pupil figures). The Pupil Premium is paid in January and there may be a way of funding some additional support to reflect this. Devon is working on providing figures to be considered as part of this option

Key Decision/ Issues for DEF:	<ol style="list-style-type: none"> 1. Review Cranbrook's primary structure for funding; 2. Disregards should stay as they are, where it is a new growing school, 2 years of extra cost relating to the introduction of KS4; 3. See their planned curriculum – is this currently as efficient as it can be? Fund from Year 10 – amount – MS to discuss with AF. 4. Disadvantage issue – how many children have come in who are not on their pupil allocation, are they above the norm?
Actions:	MS to provide figures relating to supporting KS4 choices; and DCC to provide figures as part of 2b summary of discussion above.

2b. Growth Policy - Secondary Growth

SN clarified that Appendix A of his report does not include proposed changes to growth fund and as reported to SFG two meetings ago, the impact of £400,000-500,000 a year.

In the November 2017 SFG meeting, we responded as to how some Academies are able to attract additional funds from Government.

Factor in 2018/19 – some secondary schools will need to expand which will trigger growth funds - £400k a year, so most of the hypothetical surplus will go. We will have a clear position in the October 2018 census, and will 'number crunch' going forward but looking at an additional million from 2019/20. Unfortunately, last week's

<p>meeting in London was postponed due to the weather so no information available today.</p> <p>JS suggested that SFG accept the request to increase the funding taken from DSG and put into the growth fund (an extra million) for 2019/2020 and then review it in light of expected news from DfE regarding growth fund in 2020 when NFF comes into full effect.</p> <p>Regarding the definition of catchment areas – AF advised this was based on information which DCC’s Admissions hold on students and their school designated areas, a minimum of 80% of Year 7 intake needs to be within catchment. In areas where there is more than one secondary (Exeter, Barnstaple and Newton Abbot), an area view will be taken.</p>	
Key Decision/ Issues for DEF:	AF: Add the million from 2019/2020. Revision with regard to 80% of secondary schools within growth criteria? AF then referred specifically to points 11 and 12 of his report as recommendations for DEF.
Actions:	AF to put above decisions through to DEF.
3. Item/Focus: DSG monitoring – month 10	
<p>Discussion:</p> <p>AF reported a net overspend of £2.7m. High Needs accounts for £2.5m, which shows movement from month 8, so starting to see more.</p> <p>De-delegated budgets, 1.3, additional increases to carry forwards in contingency pot and Trade Unions, slight reduction in maternity fund – to be discussed later in meeting.</p> <p>High Needs Block – seen reduction, part-year funding for 7 residential places of 80 places backdated to November but for 2018/19, an extra £200,000 not planned for. AGREED 50/50 funding, based on current funding.</p> <p>Regarding Point 2, AF wanted to make everyone aware of the closedown timetable, and the very tight turnaround for schools, all actions need to be completed by 29 March.</p>	
Key Decision/ Issues for DEF:	
Action:	
4. Item/Focus: SEND/High Needs Update	
<p>Discussion:</p> <ul style="list-style-type: none"> JF referred to her report, SEN particularly, not AP provision suggesting this may need to be brought forward in future agendas. The 4 main areas are: funding into mainstream settings, ensuring special school capacity, challenges in the independent sector and use of education funding to support provision. CIC 50% in residential special schools. Children in residential placement with care costs - £2,100,000 from HNB for the 30 in care – of which £1,000,000 is for care cost. There is no route for children not in care. Placements made through SEN and the Local Authority (LA) funds it – hence a large part of education funding is coming in as care. Devon is unusual in this: in Torbay there is a contribution and Plymouth have a sliding scale. It was AGREED that this issue needs to be raised with Jo Olsson (JO) and JF advised that, in her experience, JO would prefer a proposal (via the DEF Agenda). It is not joint agency, nor CiC. JF’s concern is the growth, 	

already 14 in post-19. Is there already a mechanism? Only for CiC. The following draft wording for a proposal to JO via DEF was agreed – **Action:** HB to send to JF and AF after the meeting for them to finalise and send to Fiona Rutley for the DEF agenda (as deadline tomorrow):

Draft proposal:

“Based on figures presented at SFG today (7.3.18), protocols for funding CIC places, EHCP plans - therefore a joint agency approach to addressing the needs of the child and that that is a more favourable ratio than actual costs, and also based on the latest legal judgement, SFG **propose** that current and future residential placements are funded on a 50/50 basis between social care and education. With the recent 19/25 agenda significantly impacting on costs, adult social care should be contributing the care aspect with effect from 1 April 2018. SFG recommend that this be passed through to the Executive by DEF.”

JF reported that of the growth in post-16 and post-19 – 300 are NEET – attempts at re-engagement needs to be proven before they can stop and that it is the young person’s decision to cease education. 19-25s have seen a steady increase every year and there is still time for them to come forward. Post-19 will keep growing. JF working with adult social care about the difference between enabling and education, and the offer.

High Needs Block – SEN actions looking at trying to address some of the issues, eg specific providers, brokerage model, etc – The Action Plan is there – JF would recommend going to DEF, for them to come back to SFG if necessary.

KC talked through the A3 spreadsheet document, showing how they are starting to work through and identify savings.

<p>Key Decision/ Issues for DEF:</p>	<p>Finalised wording of proposal:</p> <p>“Based on:</p> <ol style="list-style-type: none"> 1) Figures presented at SFG on 7th March 2018, residential placements funded from HNB only for CYP including both education health and care provision; 2) Current protocols for funding Children In Care places (for those young people with a statutory plan) between education and care 50/50; 3) New EHCP plans (therefore a joint agency approach to addressing the needs of the child); 4) Single right of redress across Education, Health and Care from April 2018, will allow health and care recommendations to be included in Tribunals. The lead judge for SEND Tribunals is very clear that ‘local authority policies do not trump the law’. The law gives young people the right to request provision included in an approved list. <p>We propose that from April 2018 current and future residential placements are funded on a 50/50 basis between social care and education.</p> <p>Noting that that is a more favourable ratio than actual costs.</p> <p>With the recent 19-25 extension and increased demand also impacting on costs, this is DCC responsibility across Children and Adult social care; Children's should be contributing the care aspect for both pre 16 & 16-19 and Adults for 19-25 young people.</p> <p>SFG also recommend that this be passed through to Cabinet by DEF.”</p>
<p>Action:</p>	<p>HB – email draft wording of proposal to JF and AF for proposal to DEF re: 50/50 split – education and social care for children in a residential placement with care costs.</p> <p>JF/AF – agree final wording of the proposal and send to FR to go on to the DEF Agenda.</p>

5. Item/Focus: Carry Forwards 2018/19	
<ul style="list-style-type: none"> No finalised figures but to agree stages going forward. Month 10, deficit budgets. £2,700,000. Discussion with DfE taking back £175,000 so that will make that figure, nearer £2,900,000. Maintained or special school balances will automatically be carried forward, but will not know actuals until closure of accounts on 31st March. Total De-delegated budgets: £778,000 - maternity £187,000, and Schools and DSG Contingency £610,000. Phase Associations: DAPH £82,000 and DASH £43,000 – Total Central Provisions budgets: £125,000. Total High Needs: £46,000 for hospital education and £19,000 Mainstream SEN. Total Early Years: £147,000 – Early Years Pupil premium £137,000 and Early Years Growth Fund £10,000. <p>This totals £1,105,000 carry forward requested.</p> <p>Table 3 – historically rolled forward but no recognised demand in 2018/19 – 3 options for using: TU costs raised as £262,000 net budget which has reduced.</p> <p>Recommendations: 3 recommendations discussed, namely:</p> <ol style="list-style-type: none"> 1) Agree deficit budgets per DEF Minutes from November 2017 per Table 1 for Growth Fund and High Needs Block. 2) Agree surplus budget carry forwards to 2018/19 as set out in Table 2. 3) Agree Option B. <p>SFG decided Option B is the safe option – it keeps money live and FIPS could help a number of schools.</p>	
Key Decision/Issues for DEF:	Option B agreed.
Action:	
6. Item/Focus: Mutual Fund Board and appeals	
AF Update: For a rebate funded before the end of this financial year, claims need to be in this week, 9 February and March claims in by 22 March, which then gives the last week before the end of term to get funding out.	
7. Item/Focus: Any Other Business	
<ul style="list-style-type: none"> AD raised a DEF request for an SFG HT rep to present issues to the Forum (rather than expecting the group to pick out nuances from the minutes). As it was difficult for HTs to get to meetings, it was suggested that a one page 'Decisions/Actions' page go out with the Minutes. MS – raised venues for future SFG meetings, suggesting sharing round schools (perhaps with a short tour?) to make it easier for colleagues from other places. KB offered Marland School in north Devon for the May meeting. 	
8. Item/Focus: Items for DEF	
<ul style="list-style-type: none"> Growth policy – value for KS4 as it changes round second growth, add the extra £1,000,000 in and change criteria for secondary schools. HNB – add to DEF Agenda around care provisions. Carry Forwards - Agree carry forwards as per those tabled, SFG preferring Option B for the treatment of the unallocated funds to FIPS contingency. 	